

**COMMONWEALTH OF KENTUCKY**  
**BEFORE THE PUBLIC SERVICE COMMISSION**

**In the Matter of:**

<b>ROBERT A. JONES D/B/A COUNTRY VILLAGE</b>	<b>)</b>	
<b>SEWER SYSTEM'S APPLICATION FOR APPROVAL</b>	<b>)</b>	<b>CASE NO.</b>
<b>OF THE TRANSFER OF THE COUNTRY VILLAGE</b>	<b>)</b>	<b>90-199</b>
<b>SEWER SYSTEM TREATMENT PLANT TO COUNTRY</b>	<b>)</b>	
<b>VILLAGE SEWER CO., INC.</b>	<b>)</b>	

**O R D E R**

On July 26, 1990, Robert A. Jones d/b/a Country Village Sewer System ("Seller"), a sole proprietorship, filed an application requesting approval of the transfer of ownership of its sewage treatment plant located in Oldham County, Kentucky, to Country Village Sewer Company, Inc. ("Buyer"), a Kentucky corporation. This Order grants the approval requested.

Having reviewed the application and evidence of record and being otherwise sufficiently advised, the Commission finds that:

1. Seller has agreed to sell and Buyer has agreed to purchase the sewage treatment plant and those properties and assets used in connection with the plant for a total purchase price of \$15,000.

2. A transfer agreement was executed on June 15, 1990 which provides that Buyer will begin operation and maintenance of the system no later than 45 days after execution of the agreement, contingent upon approval of the transfer by the Commission.

3. Buyer will contract with the plant's present operator, F & W Operations, which will continue to operate the system under the supervision of Frank Wethington, who is certified as a wastewater system operator by the Kentucky Board of Certification of Wastewater System Operators.

4. Pursuant to the transfer agreement, Buyer will assume the obligations of the Seller under the Sewer Treatment Plant Third-Party Agreement executed on August 6, 1981 between Seller and the Crestwood State Bank. By its terms, this valid third-party beneficiary agreement is binding upon Seller's successors and assigns.

5. Buyer has operated the sewage treatment plant pursuant to an agreement with the Seller for approximately 10 years, is ready, willing, and able to purchase the facility, and has the financial, technical, and managerial abilities to provide reasonable utility service to the customers of the Seller.

IT IS THEREFORE ORDERED that:

1. The proposed transfer be and it hereby is approved.

2. Within 30 days of the date of this Order, Buyer shall, in accordance with Commission Regulation 807 KAR 5:011, Section 11, file with the Commission an adoption notice adopting the rates, rules, and regulations of the Seller on file with the Commission and effective at the time of the change of ownership.

3. Within 30 days of the date of this Order, Buyer shall file with the Commission documentation of the journal entries reflecting its accounting of the transfer. These journal entries

shall be in accordance with the Uniform System of Accounts for Sewer Utilities prescribed by the Commission.

4. Seller shall be responsible for submitting to the Commission an Annual Report as required by Commission Regulation 807 KAR 5:006, Section 3, for that portion of 1990 in which it owned the sewage treatment plant.

5. Buyer shall be responsible for submitting to the Commission an Annual Report as required by Commission Regulation 807 KAR 5:006, Section 3, for that portion of 1990 in which it owned the sewage treatment plant.

Done at Frankfort, Kentucky, this 13th day of August, 1990.

PUBLIC SERVICE COMMISSION

  
Chairman

  
Vice Chairman

  
Commissioner

ATTEST:

  
Executive Director